

Message Text

UNCLASSIFIED

PAGE 01 MUSCAT 01575 210725Z
ACTION NEA-10

INFO OCT-01 ISO-00 EB-07 AID-05 OES-06 /029 W
----- 076720 /16

R 210615Z DEC 76
FM AMEMBASSY MUSCAT
TO SECSTATE WASHDC 2764
INFO AMEMBASSY ABU DHABI
AMEMBASSY KUWAIT
AMEMBASSY MANAMA
USDOC WASHDC

UNCLAS MUSCAT 1575

MANAMA FOR DODSON; A/AID FOR KENDRICK AND AID/SER/CFS FOR MOSER

E. O. 11652: N/A
TAGS: EFIS BEXP MU
SUBJECT: OMAN'S FISHING INDUSTRY--OPPORTUNITIES FOR AMERICAN FIRMS

REF: MUSCAT 186, MUSCAT 1570, MUSCAT A-33

1. SUMMARY: THE OMANGOV IS MOVING RAPIDLY TO CONVERT FISHING FROM A MOSTLY TRADITIONAL OCCUPATION TO A SIZEABLE EXPORT INDUSTRY. THE CATCH OF SARDINES, TUNA, AND OTHER SPECIES COULD REACH A SUSTANIABLE LEVEL OF UP TO 300,000 TONS A YEAR. ABALONE AND SPINY LOBSTER ARE OTHER POSSIBLE EXPORTS. THERE ARE OPPORTUNITIES FOR U.S. FIRMS TO PARTICIPATE IN DEVELOPMENT OF FISHING FACILITIES SUCH AS COLD STORES AND FISH MEAL AND SARDINE CANNING PLANTS. THE OMANIS ARE ALSO INTERESTED IN OBTAINING SERVICES OF AN AMERICAN FISHERIES EXPERT.
END SUMMARY.

2. FISHING IN OMANI WATERS HAS POTENTIAL TO MOVE FROM A MOSTLY TRADITIONAL OCCUPATION TO A SIZEABLE EXPORT INDUSTRY. THE SARDINE CATCH OFF SOUTHERN OMAN, WHCIH CURRENTLY AVERAGES ABOUT 25-30,000 TONS PER YEAR, COULD EASILY BE DOUBLED AND TUNA, HOUSE MACKEREL, AND RED SNAPPER COULD ALSO BECOME IMPORTANT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MUSCAT 01575 210725Z

EXPORTS. IT HAS BEEN ESTIMATED THAT AT LEAST 3000,000 TONS OF FISH COULD BE TAKEN EACH YEAR ON A SUSTAINABLE BASIS, AT AN ANNUAL VALUE ABOUT \$200-300 MILLION. OMAN'S DEVELOPMENT PLAN ALLOCATES \$41 MILLION TO FISHERIES OVER THE NEXT FIVE YEARS.

3. THE OMAN GOVERNMENT HAS REORGANIZED FISHERIES INTO FIVE

DISTRICTS--MUSANDAM, DOHAR, SUR, MASIRAH, AND SALALAH--IN ORDER TO ACHIEVE QUICKER DEVELOPMENT. SUR COULD WELL BECOME A MAJOR FISHING CENTER WHEN A MODERN ROAD FROM THERE TO THE CAPITAL IS COMPLETED. THE WATERS OFF MASIRAH SOUTH TO THE PDY BORDER ARE AMONG THE RICHEST IN THE WORLD. ACCORDING TO DIRECTOR OF FISHERIES HASSAN ABDULLA AL MORAZZA, THE OMANIS WOULD LIKE TO EXTEND THEIR CURRENT 50-MILE LIMIT TO 200 MILES, BUT THEY REALIZE THIS WOULD REQUIRE A LARGER NAVY FOR ADEQUATE PATROLLING.

4. THE OMANGOV HAS THROWN THE FISHERIES SECTOR OPEN TO FOREIGN COMPANIES. IN A JOINT VENTURE WITH THE GOVERNMENT, A JAPANESE GROUP (TAIYO-NISSHO-IWAI) IS TAKING 25,000 TONS ANNUALLY FROM THE WATERS BETWEEN MASIRAH AND THE KURIA MURIA ISLANDS. THE OMANIS ARE OBTAINING VALUABLE RESEARCH INFORMATION AND TRAINING FROM THE JAPANESE AS WELL AS RECEIVING 40 PERCENT OF THE CATCH

AS ROYALTIES. TO AVOID OVER-FISHING, THE OMANIS HAVE CAUTIONED OMANIS ON THE JAPANESE BOATS TO REGISTER THE CATCH. A NEW ZEALAND FIRM, ARABCO TRADERS LTD., IS NOT ONLY BUILDING FACILITIES, BUT IS PLAYING AN INCREASINGLY IMPORTANT ROLE IN ADVISING THE OMANIS ON OVERALL FISHING POLICIES.

5. INFRASTRUCTURE FOR A FISHING INDUSTRY IS BECOMING A REALITY. A 3000-TON COLD STORAGE FACILITY HAS ALREADY BEEN COMPLETED IN MUTRAH BY ARABCO, AND A 250-TON PLANT IN SALALAH IS ALMOST FINISHED. A FISH PROCESSING PLANT IN MATRAH WILL ALSO BE BUILT

UNCLASSIFIED

PAGE 03 MUSCAT 01575 210725Z

BY ARABCO, WHILE A FISH MEAL FACTORY AND A SARDINE/TUNA CANNING FACILITY IN DHOFAR ARE UNDER CONSIDERATION. JAPANESE FIRMS HAVE SHOWN STRONG INTEREST IN THE FISH MEAL AND CANNING PLANTS, BUT NO CONTRACTOR HAS BEEN CHOSEN THUS FAR. THE FISH MEAL PLANT WOULD BE EXCEPTIONALLY USEFUL IN PROVIDING PROTEIN FOR DHOFAR'S CATTLE INDUSTRY AS WELL AS POSSIBLE EXPORTS TO THE GULF STATES, ALTHOUGH THE CANNING PLANT MIGHT NOT BE ABLE TO COMPETE WITH EUROPEAN OR JAPANESE CANNERIES. A 300-TON COLD STORE, AN ICE PLANT, AND A MARINE WORK SHOP ARE PLANNED FOR SUR, A COLD STORE AND FISH MEAL PLANT HAS BEEN SUGGESTED FOR SOHAR, AND COLD STORES MAY BE BUILT ON MASIRAH, THE MUSANDAM PENINSULA, AND THE KURIA MURIA ISLANDS.

6. SHELLFISH SUCH AS ABALONE, WHICH UP TO NOW HAS BEEN REGARDED AS VALUELESS BY THE OMANIS, ALSO HAVE GOOD PROSPECTS. ABALONE ALONG THE DHOFAR COAST ARE REPUTEDLY MORE AVAILABLE AND OF BETTER QUALITY THAN THE TYPE FOUND OFF THE WEST COAST OF THE U.S. SPINY LOBSTER AND OYSTERS ARE ALSO POSSIBLE EXPORTS, ALTHOUGH

LOBSTERS HAVE BEEN OVERFISHED AND ARE NOW SUBJECT TO PROTECTION (LOBSTERS COULD YIELD AN ESTIMATED 22 TO 56 TONS PER YEAR).

7. IN AN ATTEMPT TO KEEP TRADITIONAL FISHING VIABLE, THE OMAN-GOV HAS CREATED A DEVELOPMENT FUND INVOLVING EASY LOANS AND CATCH-SHARING TO MODERNIZE BOATS AND EQUIPMENT OF SMALL FISHERMEN. THE OMANGOV IS FINANCING WOOD AND FIBERGLASS BOATS AND HAS DISPLAYED INTEREST IN PURCHASING EQUIPMENT SUCH AS OUTBOARD MOTORS FROM U.S. SUPPLIERS.

8. THE OMANGOV IS INTERESTED IN OBTAINING THE SERVICES OF A FISHERIES ADVISER WHO CAN SURVEY THE ENTIRE INDUSTRY AND HELP SELECT CAPABLE COMPANIES TO DEVELOP OMAN'S FISHING EXPORTS, SINCE THEY ARE WORRIED ABOUT UNQUALIFIED FIRMS WINNING CONTRACTS. THE DIRECTOR OF FISHERIES SPECIFICALLY MENTIONED A DESIRE FOR AN AMERICAN EXPERT. THE OMANGOV WOULD PREFER A PRELIMINARY VISIT, HOWEVER, BEFORE FINAL SELECTION IS MADE.

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 MUSCAT 01575 210725Z

9. COMMENT: DESPITE FAILURE OF MARDELA TO WIN A FOLLOW-ON CONTRACT AND DEEPENING INVOLVEMENT BY JAPANESE AND NEW ZEALAND FIRMS, THERE ARE STILL MANY OPPORTUNITIES FOR U.S. COMPANIES. ARABCO TRADERS LTD. HAS SHOWN A STRONG INTEREST IN U.S. EQUIPMENT; HUSSMAN'S OF SAN FRANCISCO HAS BEEN USED FOR COLD STORAGE CONSTRUCTION, AND ARABCO WOULD LIKE TO PURCHASE AMERICAN REFRIGERATED TRUCKS FOR LONG-HAUL TRANSPORTATION TO DUBAI AND ABU DHABI. AN AMCIT FISHERIES ADVISER COULD BE VERY HELPFUL IN PROMOTING U.S. INVOLVEMENT IN THIS MARKET, BUT IT IS MANDATORY THAT A MAN OF UNQUESTIONED COMPETENCE BE SELECTED.

10. ACTION REQUESTED: RECOMMEND APPROPRIATE WASHINGTON AGENCY CONTACT FISHERIES EXPERT WHO WOULD BE INTERESTED IN WORKING FOR THE MINISTRY OF AGRICULTURE, FISHERIES, PETROLEUM AND MINERALS. WE ALSO REQUEST USDOC TO CONTACT FIRMS INTERESTED IN BUILDING FISH MEAL OR CANNING PLANTS. ENQUIRIES SHOULD BE SENT TO MR. HASSAN ABDULLA AL MORAZZA, DIRECTOR GENERAL OF FISHERIES, MINISTRY OF AGRICULTURE, FISHERIES, PETROLEUM AND MINERALS, P.O. BOX 551, MUSCAT, SULTANATE OF OMAN; TELEX: 280 PLANDEV MB; CABLE: PLANDEV. WOLLE

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FISHING INDUSTRY
Control Number: n/a
Copy: SINGLE
Draft Date: 21 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MUSCAT01575
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760467-1097
From: MUSCAT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761225/aaaaauxa.tel
Line Count: 159
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 MUSCAT 186, 76 MUSCAT 1570, 76 MUSCAT A-33
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 24 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24 MAY 2004 by hattaycs>; APPROVED <28 DEC 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: OMAN'S FISHING INDUSTRY--OPPORTUNITIES FOR AMERICAN FIRMS
TAGS: EFIS, BEXP, MU
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006